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**FOR IMMEDIATE RELEASE:**

**FORMER DAY CARE OWNER  
CHARGED WITH \$4.4 MILLION  
FEDERAL PROGRAM FRAUD AND MONEY LAUNDERING**

**PRESS RELEASE**

Susan W. Brooks, United States Attorney for the Southern District of Indiana, announced that SAUNDRA J. PRITCHETT-GUIDRY, 61, Indianapolis, Indiana, was indicted by a federal grand jury sitting in Indianapolis for federal program fraud and money laundering, following an investigation by the United States Department of Agriculture, the Indiana Family and Social Services Administration, and the Internal Revenue Service.

The indictment alleges that Sandra J. Pritchett-Guidry operated a number of day care centers in Indianapolis under the name of A Rainbow House from 1984 until their closure in April 2003. Beginning not later than the mid-1990's, Pritchett-Guidry directed a fraud scheme

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regarding the federal programs that funded her day care centers and the related service of meals and snacks.

The program fraud directed by Pritchett-Guidry involved the creation and submission of multiple false documents regarding the overstated attendance and food consumption of children enrolled in her day care centers. These forms not only overstated the actual meals served and attendance, but at various times included the names of children who did not exist or who were no longer enrolled. The indictment alleges that between November 1997 and the closure of A Rainbow House in April 2003, Pritchett-Guidry obtained \$4,459,625 by fraud from the three programs combined.

The specific programs affected were The Child and Adult Care Food Program (CACFP), the Child Care Developmental Funds (CCDF) Voucher Program and the Title XX Social Service Block Grant Program. The first of these programs is funded by the United States Department of Agriculture and provides meals and snacks for qualified children. The second and third programs provide for the actual child care of certain qualifying families and children, and are funded by the United States Department of Health and Human Services and the State of Indiana, through the Indiana Family and Social Services Administration.

Pritchett-Guidry, who lives in the 8000 block of North Oaklandon Road, used a significant amount of the fraudulently obtained money for her own private purposes, including the acquisition of real estate. To effect those real estate purchases, Pritchett-Guidry used

funds obtained from the federal programs by A Rainbow House and then transferred the funds into a separate corporate account she had established. One of those transfers is the basis for the money laundering count charged here.

According to Assistant United States Attorney James M. Warden, who is prosecuting the case for the government, Pritchett-Guidry faces a maximum possible prison sentence of 10 years for each count of the indictment and a maximum possible fine of \$250,000 for each count. An initial hearing will be scheduled before a U.S. Magistrate Judge in Indianapolis.

**The indictment is an allegation only, and the defendant is presumed innocent unless and until proven guilty at trial or by guilty plea.**

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